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AMA CALLS ON GOVERNMENT TO ABANDON PLANNED CUTS TO PATHOLOGY BULK BILLING INCENTIVES

Welcoming today's release of the Pathology Australia report on the community health benefits, efficiency, and cost effectiveness of Australia's pathology sector, the AMA is again calling on the Government to abandon its planned cuts to bulk billing incentives for pathology services.

AMA Vice President, Dr Stephen Parnis, said the report confirms the efficiency and quality of the pathology sector in Australia, and the value for money it provides to Australian taxpayers.

"Australia's high quality pathology services are vital to the work of GPs and surgeons who consult patients and conduct surgery every day across the country," Dr Parnis said.

"We have a highly efficient pathology sector that provides affordable services to the Australian community.

"It is irresponsible to disrupt this core element of the health system.

"Today's report is further conclusive evidence that the Government should abandon its illconceived cuts to the bulk billing incentives, which will have a direct harmful impact on patients.

"These incentives support patient access to essential services without any out-of-pocket costs.

"They provide greatest benefit to the poorest and sickest in the community.

"If the cuts go ahead, pathology providers will have no choice but to pass on costs to patients."

Dr Parnis said the report demonstrates that the pathology industry has already increased productivity and efficiency to maintain high bulk billing rates, enabling high levels of access to these services.

The analysis undertaken in the report is based on reliable and official data sources. The key findings are that:

- Australia is a leader in delivering value for money pathology services while maintaining quality of services, when compared internationally;
- the increase in government-funded pathology expenditure has been driven by growth in the Australian population, and ageing and increased referrals, not by pathology services prices. Prices have actually fallen overall in the last 15 years; and
- around 17 per cent of pathology tests are provided free to the Australian community, providing savings to the Australian Government of around \$450m last year.

The Pathology Australia report is available at <u>http://www.pathologyaustralia.com.au/wp-content/uploads/2016/04/EY-Pathology-Australia-20160426-Final-Report.pdf</u>

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